

**BYLAWS OF THE
KALAMAZOO RIVER WATERSHED PUBLIC ADVISORY COUNCIL**
(A Michigan Non-Profit Corporation)

ARTICLE I: OFFICES

Section 1.1: Resident Agent and Registered Office. The Resident Agent and Registered Office of the Corporation shall be a person and a location in the State of Michigan stated in the Articles of Incorporation. The Board of Directors may change the Resident Agent and/or Registered Office at any time.

The Board of Directors may authorize the Corporation to qualify to do business in such foreign states as the Board determines are necessary for the Corporation to conduct its affairs. The Board of Directors may designate the Corporation's resident agent and/or registered office in any State, and may change this at any time. Upon any change in the resident agent or registered office of the Corporation in any State, the President shall cause to be filed in such State an appropriate form containing the name of the new resident agent and/or new address of the registered office and such other information as may be required to accomplish the change.

Section 1.2: Business Offices. The Corporation may have business offices at such places as the Board of Directors may determine.

ARTICLE II: PURPOSE

Section 2.1: General. The purposes of the Corporation are as set forth in Article II of the Articles of Incorporation of the Corporation.

ARTICLE III: ORGANIZATION

Section 3.1: Organization. The Corporation shall be a non-stock corporation, organized on a directorship basis pursuant to the Michigan Nonprofit Corporation Act, P.A. 162 of 1982, and any amendments thereto ("Act").

ARTICLE IV: DIRECTORS

Section 4.1: Functions. Except as specifically provided in the Corporation's Articles of Incorporation or these Bylaws, the business and affairs of the Corporation shall be managed by or under the direction of its Board of Directors (referred to herein as "Board"). All rights, powers, duties and responsibilities relative to the management and control of the Corporation's property, activities and affairs are vested in the Board of Directors. In addition to the power and

authority expressly conferred upon it by these Bylaws and the Articles of Incorporation, the Board of Directors may take any lawful action on behalf of the Corporation which is not by law or by the Articles of Incorporation or by these Bylaws required to be taken by some other party.

The Directors shall have the right to select, hire, supervise and fire an Executive Director for the Corporation who shall be responsible for the Corporation's day-to-day operations in consultation with the Corporation's officers, including the hiring and termination of employees and agents (if any) to carry out the work of the Corporation, establishing their duties, and performing any duties and functions as are specified by the Board or by any person to whom the board has given authority to supervise and direct the Executive Director.

Section 4.2: Number of Directors. The Board of Directors shall consist of not less than three (3) and not more than fifteen (15). At majority of Directors must be employed or reside in the Kalamazoo River Watershed.

Section 4.3: Election and Term of Office of Directors. All Directors shall serve three year terms, with the terms of one-third of the Directors expiring each year. To accomplish this, one-third of the initial Board of Directors shall serve for a one-year term; one-third shall serve for a two year term and one-third shall serve for a three year term, with the Incorporators designating which Directors will serve terms of one, two or three years. Thereafter as a Director's term expires, the person elected to fill that position shall serve for a three-year term. A Director may serve an unlimited number of consecutive terms. New Directorship will be open to any individual who has been nominated by one or more current Directors and meets the requirements set forth in the Bylaws and in accordance with current applicable law. Directorship will be conferred by a plurality vote of the Board.

Section 4.4: Resignation and Removal. Any Director or Officer may resign by submitting written notice of resignation to the Secretary. Any Director may be removed from office at any time with or without cause by the affirmative vote of two-thirds of the Directors in office.

Section 4.5: Vacancies. A vacancy in the Board will be deemed to exist in case of the death, resignation, removal of any Director or whenever the maximum number of Directors are not in place. Vacancies will be filled by a plurality vote of the remaining Directors, even if less than a quorum, or by a sole remaining Director. Each Director so selected will hold office for a length of time equal to the unexpired term of the Director who is being replaced or for a term not to exceed three years.

Section 4.6: Call and Notice. The board shall meet on call by the President or on written request filed with the Secretary by three or more Directors. The Secretary shall give reasonable notice to each Director of the time, place, and date of each meeting by notice in writing or by telephone or by electronic communication or hand delivered notice not later than 48 hours before the time set for the meeting, unless a greater amount of time for notice is required to be given by law or the Bylaws. No notice need be given to any Director, who, in writing executed and filed with the records of the meeting either before or after the holding thereof, waives such notice or attend the meeting. The Board shall keep minutes of meetings and full account of all transactions. A majority of the Directors present, whether or not a quorum is present, may adjourn any Director's meeting.

Section 4.7: Annual Meeting of the Council/Corporation. The Annual Meeting of the Corporation will be held in April of each year, or at another time as established by the Directors. The purpose of the meeting will be to elect new Directors, elect Officers, hear a report of the previous year's activities, and review plans for the current year and beyond.

Section 4.8: Quorum and Voting. At every meeting of the Board, a quorum shall consist of a majority of the current Directors serving on the Board. Unless otherwise specified in these Bylaws, the majority vote of those persons actually present at a meeting at which there is a quorum will prevail on all matters. There shall be no voting by proxy. The Directors may decide whether a Director may participate in a meeting by a conference telephone or similar communication equipment if all meeting participants can hear all others. Any action required or permitted to be taken by the Board may be taken without a meeting if all members of the Board individually or collectively consent in writing to such action (electronically or otherwise). Such consents will have the same effect as a unanimous vote of the Board and shall be filed with the minutes of the proceedings of the Board.

Action required or permitted to be taken at a meeting of the Board of Directors or a committee thereof may be taken without a meeting if, before or after the action, all members of the Board of Directors or of the committee consent to the action in writing or by electronic transmission. The written consents shall be filed with the minutes of the proceedings of the Board of Directors or the committee. The consent has the same effect as a vote of the Board of Directors or the committee for all purposes.

Section 4.9: General Powers as to Negotiable Paper. The Board shall, from time to time, prescribe the manner of making, signature or endorsement of checks, drafts, notes, acceptances, bills or exchange, obligations and other negotiable paper or other instruments for the payment of money and designate the officer or officers, agent or agents, who shall from time to time, be authorized to make, sign, or endorse the same on behalf of the Corporation.

Section 4.10: Powers as to Other Documents. The Board may authorize any officer or officers, agent or agents to enter into any contract or execute or deliver any conveyance or other instrument in the name of the Corporation, and such authority may be general or confined to specific instances. When the execution of any contract, conveyance or other instrument has been authorized without specification of the officers authorized to execute, the same may be executed on behalf of the Corporation by the President, Vice-President, Secretary, or Treasurer.

Section 4.11: Compensation. Directors shall receive no compensation for their services as such but may, by resolution of the Board, be allowed reimbursement for their expenses actually and reasonably incurred on behalf of the Corporation.

Section 4.12: Rights of Inspection. A Director may examine any of the Corporation's books and records for a purpose reasonably related to his or her position as a Director. A Director wishing to examine any books and records shall submit a notice to the Corporation that he or she wishes to examine books and records and attempt to reasonably describe the books and records to be inspected. The Corporation shall use its best efforts to gather the requested books and

records for examination. The examination shall take place at the office of the Corporation, unless the Board or President selects another location that is reasonably near to the Corporation's office. The Corporation shall allow the examination to be conducted within a reasonable period of time following receipt of the notice from the Director asking to examine the books and records. The Board may adopt additional procedures for the examination of books and records by a Director.

ARTICLE V: OFFICERS AND COMMITTEES

Section 5.1: Officers. The Officers of the Corporation shall be a President, a Treasurer and a Secretary. The office of Vice President and Executive Committee Member-At-Large are optional but highly recommended. The Officers shall be elected by the Board of Directors at its first meeting and at each annual meeting thereafter. The Board of Directors of the Corporation may from time to time elect or appoint other Officers including Vice Presidents, Members-At-Large, Assistant Treasurers and Assistant Secretaries, as the Board may deem advisable, and such Officers shall have such authority, and shall perform such duties as from time to time may be prescribed by the Board of Directors. Any two or more offices, except that of President and Secretary, may be held by the same person. In addition to the powers and duties of the Officers of the Corporation as set forth in these Bylaws, the Officers shall have such authority and shall perform such duties as from time to time may be determined by the Board of Directors. No Officer shall execute, acknowledge or verify any instrument in more than one capacity if the instrument is required by law or the Articles of Incorporation or Bylaws to be executed, acknowledged or verified by two (2) or more Officers.

Each Officer shall be elected for a term extending until the next annual meeting of the Board of Directors or until his or her resignation or removal.

Section 5.2: Powers and Duties of the Officers.

The President's responsibilities include 1) acting as chief executive officer of the Corporation, 2) presiding at all meetings of the Board and Executive Committee, 3) acting as an ex-officio member of all committees, and 4) representing the Corporation as needed.

The Vice-President's responsibilities include 1) performing the duties of the President and taking responsibilities upon absence or disability of the President and 2) assisting the President upon President's request.

The Secretary's responsibilities include 1) keeping or causing to be kept complete minutes of all meetings, 2) maintaining or causing to be maintained a file of official Corporate documents and records, and 3) mailing or causing to be mailed notices.

The Treasurer's responsibilities include 1) overseeing the accounting records of the Corporation, 2) overseeing the deposit of funds in such accounts and depositories and subject to controls as may from time to time be designated by the Board, 3) disburse or cause to be disbursed the funds of the Corporation as may be ordered by the Board and 4) making regular periodic and annual reports as to the Corporation's finances. The books of account will at all time be open to inspection by any Director.

The Executive Committee Member-At-Large's responsibilities include 1) being present at all meetings of the Executive Committee and 2) assisting the President upon President's request.

Section 5.3: Resignations. Any Officer may resign at any time by giving written notice to the Board of Directors or to the President of the Corporation. Any such resignation shall take effect at the time specified therein; and, unless otherwise specified therein, the resignation shall be immediately effective on receipt and acceptance of such resignation shall not be necessary to make it effective.

Section 5.4: Removal. Any of the Officers designated in Section 5.01 of this Article V may be removed by the Board of Directors, with or without cause, whenever in its judgment the best interests of the Corporation will be served thereby, by the vote of a majority of the total number of Directors.

Section 5.5: Executive Committee. The executive committee shall consist of the officers and an additional Executive Committee Member-At-Large. The Executive Committee shall have the responsibility to advise and make recommendations regarding long-term strategy of the Corporation as well as management and personnel issues requiring the attention of the Board of Directors. Further, the Executive Committee shall act for the Board of Directors between meetings on specific agenda items as designated by the Board of Directors. The Secretary shall give reasonable notice to each Executive Committee member of all meetings of said committee.

Section 5.6: Other Committees. The Board of Directors may designate non-executive standing committees with such duties and powers as it may provide in order to carry out the programs and purposes of the Corporation. Special committees may be appointed by the President, with the consent of the Board of Directors. The President, with the consent of the Board of Directors, shall designate the persons to serve on each committee, fill vacancies on committees, and serve as Chairperson of the committee. Membership on committees, except executive committees, is open to all persons, Directors and non-Directors. Each committee shall make such reports of its activities to the Board of Directors as the Board may request. Each member of a committee serves at the pleasure of the Board and may be removed at any time by vote of the Board.

Committees that are not executive committees shall not exercise any of the power or authority of the Board of Directors, but may perform under the direction of the Board those functions described in these Bylaws or determined from time to time by the Board. The Board resolution that creates the committee shall state the purposes of the committee, the terms and qualifications of committee members, and the ways in which committee members are selected and removed. Membership can include individuals who are and are not Directors or officers of the Corporation.

Section 5.7: Corporate Administrator. The person serving as paid or volunteer Corporation administrator shall be responsible to the Board of Directors and shall report through the President. The Board has the power to select, hire, supervise, establish the duties, and fire the Council's administrator.

ARTICLE VI: INDEMNIFICATION

Section 6.1: Indemnification of the Directors and Officers, Claims By Third Parties. The Corporation may, in the complete discretion of the Board of Directors, indemnify in full or in part any person who was or is a party or is threatened to be made a part to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he or she is or was a Director, Officer, employee, agent or non-director volunteer of the Corporation or is or was serving at the request of the Corporation as a trustee, director, Officer, employee, agent or non-director volunteer of another Corporation, business Corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interested of the Corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suite or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not of itself create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the Corporation and, with respect to any criminal action or proceeding, had reasonable cause to believe that the conduct was unlawful.

Section 6.2: Actions by or in Right of the Corporation. The Corporation may, in the complete discretion of the Board of Directors, indemnify in full or in part any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he or she is or was a Director, Officer, employee, agent or non-director volunteer of the Corporation or is or was serving at the request of the Corporation as a trustee, director, officer, employee, agent or non-director volunteer of another corporation, business corporation, partnership, joint venture, trust, or other enterprise, against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection with the defense or settlement of such action or suit if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Corporation.

Section 6.3: Expenses. To the extent that a Director, Officer, employee or agent of the Corporation has been successful on the merits or otherwise in defense of any action suit or proceeding referred to in Sections 3.1 and 3.2 of this Article or in defense of any claim, issue or matter therein, the Corporation may, in the complete discretion of the Board of Directors, indemnify such person against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection therewith.

Section 6.4: Determination of Indemnification. Unless ordered by the court, the Corporation shall indemnify a Director, officer, employee, non-director volunteer or agent under Sections 6.1 and 6.2 only if authorized in the specific case based on a determination that indemnification of the Director, officer, employee, non-director volunteer or agent is proper in the circumstances because that person has met the applicable standard of conduct set forth in Sections 8.01 and 8.02 and based on an evaluation that the expenses and amounts paid in settlement are reasonable.

The Corporation shall make a determination and evaluation under this Section in one of the following ways:

- a) By a majority vote of a quorum of the Board consisting of Directors who are not parties or threatened to be made parties to the action, suit, or proceeding.
- (b) If the Board is unable to obtain a quorum under subdivision (a), then by majority vote of a committee that is duly designated by the Board and that consists solely of two or more Directors who are not at the time parties or threatened to be made parties to the action, suit or proceeding.
- (c) By independent legal counsel in a written opinion, which counsel shall be selected in one of the following ways: (i) By the Board or a committee of directors in a manner prescribed in subdivision (a) or (b); or (ii) If a quorum of the Board cannot be obtained under subdivision (a) and a committee cannot be designated under subdivision (b), by the Board.

In the designation of a committee under subsection (b) or in the selection of independent legal counsel under subsection (c)(ii), all Directors may participate.

The Corporation shall authorize payment of indemnification in any of the ways permitted by Section 564a(4)(a) of the Act.

Section 6.5: Repayment of Expenses. The Corporation may, in the complete discretion of the Board of Directors, pay or reimburse the reasonable expenses incurred by a Director, Officer, employee, non-director volunteer or agent of the Corporation or a person that is or was serving at the request of the Corporation as a director, officer, partner, trustee, employee or agent of another domestic corporation, foreign corporation, domestic business corporation, foreign business corporation, partnership, limited liability company, joint venture, trust or other enterprise, whether for profit or not, that is a party or threatened to be made a party to an action, suit or proceeding in advance of final disposition of the proceeding if the person furnishes the Corporation a written agreement executed personally or on the person's behalf, to repay the advance if it is ultimately determined that the person did not meet the standard of conduct, if any, required by the Act for the indemnification of a person under the circumstance. Such an agreement must be an unlimited general obligation of the Director, Officer, employee, non-director volunteer or agent but may be unsecured. The Corporation may accept such agreement without reference to the financial ability of the person to make repayment.

The Corporation shall evaluate the reasonableness of advances under this Section in the manner described in Section 6.4 above and make an authorization of payment in any of the ways permitted by Section 564a(4)(a) of the Act.

Section 6.6: Insurance. The Corporation shall have the power to purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee, non-director volunteer, or agent of the Corporation, or that is or was serving at the request of the Corporation as a director, officer, partner, trustee, employee, non-director volunteer or agent of another foreign or domestic corporation, foreign or domestic business corporation, limited liability company, partnership, joint venture, trust or other enterprise, for profit or nonprofit, against any liability asserted against the person and incurred by the person in that capacity or arising out of

the person's status as such, whether or not the Corporation has the power to indemnify the person against liability under the provisions of the Act, as amended.

If the Corporation's Articles of Incorporation include a provision that eliminates or limits the liability of a Director under Section 209(1)(c) of the Act, the Corporation may purchase insurance on behalf of a Director from an insurer owned by the Corporation, but insurance purchased from that insurer may insure a Director against monetary liability to the Corporation only to the extent to which the Corporation could indemnify the Director under Section 564a of the Act.

ARTICLE XII: CONFLICTS OF INTEREST

Section 7.1: Provisions Regarding Payment of Compensation and Property Transfers; Conflicts of Interest. There must be no actual or apparent conflicts of interest with respect to any actions of the Board, individual Directors or any of the Corporation's Officers and staff. The Board shall create and enforce a Conflicts of Interest Policy that establishes policies and procedures for determining when a Director, officer or other person has a conflict of interest and which specifies procedures for reviewing, voting upon and performing any contract or transaction with such an interested person or with an entity in which such person has an interest.

At a minimum any conflict of interest policy must take into consideration the requirements of Internal Revenue Code Section 4958 and the Treasury Regulations promulgated thereunder, which prohibits "excess benefit transactions" between the Corporation, as an entity that is tax exempt under Internal Revenue Code Section 501(c)(3), and persons who are Disqualified Persons (as defined in Code Section 4958 and the Treasury Regulations promulgated thereunder) or between the Corporation and a domestic or foreign corporation, domestic or foreign business corporation, firm or association of any type or kind, in which one or more Disqualified Persons are directors, employees or are otherwise interested. This requires that payments under a compensation arrangement must be reasonable and transfers of property or the right to use property must be at a fair market value.

In making a decision involving whether a compensation arrangement is reasonable or whether a transfer of property or the right to use property is at fair market value, the Board shall use its best efforts to try and meet the rebuttable presumption that the transaction or contract is not an excess benefit transaction, as described in Treasury Regs. §53-4958-6, including: (a) that the compensation arrangement or the terms of the property transfer be approved in advance by the Board, or other authorized body, that is composed entirely of individuals who do not have a conflict of interest with respect to the compensation arrangement or property transfer; (b) before the Board (or other authorized body) votes to approve this contract or transaction, the Board shall attempt to obtain appropriate data as to comparability from which it can determine if the compensation arrangement in its entirety is reasonable or the property transfer is at fair market value; (c) the person who is the subject of the conflict of interest shall not be present during the discussion and shall not vote on the transaction; and (d) At the meeting where the vote is taken, the Board (or other authorized body) must contemporaneously document how it reached its decisions, by including in the minutes of the meeting:

- (a) the terms of the transaction and the date it was approved;
- (b) the members of the Board who were present during the debate on the transaction that was approved and who voted for it;
- (c) the comparability data obtained and relied upon and how the data were obtained;
- (d) any actions taken with respect to consideration of the transaction by anyone who is otherwise a member of the Board but who had a conflict of interest with respect to the decision on the transaction; and
- (e) if the Board (or other authorized body) determines that reasonable compensation for a specific arrangement or fair market value in a specific property transfer is higher or lower than the range of comparability data obtained, the Board (or other authorized body) must record the basis for its determination.

Minutes of the meeting must be prepared before the later of the next meeting of the Board (or other authorized body) or 60 days after the final action or actions of the Board (or authorized body) are taken.

To the extent additional guidance is needed by the Board regarding transactions involving persons with an interest in a contract or transaction involving the Corporation or about requirements and/or procedures under Internal Revenue Code Section 4958 or the Regulations for Code Section 4958, the Board should consult legal counsel for insight and guidance regarding the requirements of Section 4958 and its Regulations and to determine the steps it should take to meet the requirements for the rebuttable presumption.

ARTICLE VIII: FINANCIAL AFFAIRS

Section 8.1: Fiscal Year. The fiscal year of the Corporation shall end on September 30th of each year.

Section 8.2: Report to Directors. The Corporation, at least once each calendar year, shall prepare or have prepared a report of the Corporation for the preceding fiscal year and present the report at the annual meeting of the Board of Directors. The report shall include all of the following for the Corporation's preceding fiscal year:

- (a) its income statement.
- (b) its year-end balance sheet, including trust funds and funds restricted by donors or the Board.
- (c) its statement of source and application of funds, if the Corporation prepared that statement.
- (d) any other information required by the Act.

The report may be distributed by electronic transmission or by making the report available for electronic transmission. If the report is distributed electronically, the Corporation shall provide the report in written form to a Director on request.

Section 8.3: Bank Accounts. The funds of the Corporation shall be deposited in one or more banks or financial institutions as designated by the Board. All checks shall be signed by one or more of the following: President, Treasurer, Secretary, or Corporation Administrator.

Section 8.4: Expenditures. All checks, drafts, or orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Corporation in the amount of \$500 or less may be signed by the President or Treasurer without prior approval by the Board of Directors. All checks, drafts, or orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Corporation in the amount exceeding \$500 shall require prior approval by the Board of Directors. Expenditures described in a budget of a current grant contract will be considered approved by the Board of Directors at the time the contract is signed by the President, Vice President, Treasurer or agent approved by the Board of Directors.

Section 8.5: Distribution of Assets. In the event of liquidation, dissolution, or winding up of the Corporation in any manner or for any reason whatsoever, all the assets of the Corporation, after payment of obligations and liabilities of the Corporation, shall be transferred to one or more corporations or associations having similar character or purpose and having qualified under provisions of Section 501(c)3 of the Internal Revenue Code 1954, as amended, as may be selected by the Corporation's Board of Directors.

ARTICLE IX: AMENDMENTS

Section 9.1: These Bylaws and the Articles of Incorporation may be amended by a majority vote of the Directors at an Annual Meeting, or at a special meeting called by the Board for such purpose, provided that a copy of the proposed amendment(s) has been mailed or provided as an electronic communication to all current Directors at least thirty (30) days prior to the meeting.

Adopted: October 10, 1998

Reaffirmed / Approved: June 9, 1999

Amended: June 22, 2004

Amended: January 22, 2018